

SENATE BILL NO. 790

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BECK.

4006S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for grocery stores.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 135, RSMo, is amended by adding thereto
2 one new section, to be known as section 135.1620, to read as
3 follows:

135.1620. 1. As used in this section, the following
2 terms mean:

3 (1) "Eligible expenses", expenses incurred in the
4 construction or development of real property for the purpose
5 of establishing a full-service grocery store in a food
6 desert;

7 (2) "Food desert", a census tract that has a poverty
8 rate of at least twenty percent or a median family income of
9 less than eighty percent of the statewide average and where
10 at least five hundred people or thirty-three percent of the
11 population are located at least one-half mile away from a
12 full-service grocery store in urbanized areas or at least
13 ten miles away in rural areas;

14 (3) "Full-service grocery store", a grocery store that
15 provides a full complement of healthful fruits, vegetables,
16 grains, meat, and dairy products along with household
17 items. Fresh fruits and vegetables shall be available for

18 sale in quantities that are substantially similar to
19 industry standards for facilities of similar size;

20 (4) "New location", a full-service grocery store
21 facility located on a tract of real property within a food
22 desert acquired by or leased to a taxpayer on or after
23 January 1, 2023. A location shall be deemed to have been
24 acquired by or leased to a taxpayer on or after January 1,
25 2023, if the transfer of title to the taxpayer, the transfer
26 of possession under a binding contract to transfer title to
27 the taxpayer, or the commencement of the term of the lease
28 to the taxpayer occurs on or after January 1, 2023, or if
29 the commencement of the construction or installation of the
30 facility by or on behalf of a taxpayer occurs on or after
31 January 1, 2023;

32 (5) "Rural area", a town or community within the state
33 that is not within a metropolitan statistical area and has a
34 population of six thousand or fewer inhabitants as
35 determined by the last preceding federal decennial census or
36 any unincorporated area not within a metropolitan
37 statistical area;

38 (6) "Tax credit", a credit against the tax otherwise
39 due under chapter 143, excluding withholding tax imposed
40 under sections 143.191 to 143.265;

41 (7) "Taxpayer", any individual, partnership, or
42 corporation as described under section 143.441 or 143.471
43 that is subject to the tax imposed under chapter 143,
44 excluding withholding tax imposed under sections 143.191 to
45 143.265, or any charitable organization that is exempt from
46 federal income tax and whose Missouri unrelated business
47 taxable income, if any, would be subject to the state income
48 tax imposed under chapter 143;

49 (8) "Urbanized area", an urbanized area as designated
50 by the United States Census Bureau.

51 2. For all tax years beginning on or after January 1,
52 2023, a taxpayer shall be allowed to claim a tax credit
53 against the taxpayer's state tax liability in an amount
54 equal to fifty percent of the taxpayer's eligible expenses
55 for establishing a full-service grocery store in a food
56 desert after initial expenses of:

57 (1) One million dollars if the full-service grocery
58 store is established in a charter county, a county of the
59 first classification, or a city not within a county; or

60 (2) Five hundred thousand dollars if the full-service
61 grocery store is established in any other county.

62 3. The amount of the tax credit claimed shall not
63 exceed the amount of the taxpayer's state tax liability in
64 the tax year for which the credit is claimed, and such
65 taxpayer shall not be allowed to claim a tax credit in
66 excess of two million five hundred thousand dollars per tax
67 year. However, any tax credit that cannot be claimed in the
68 tax year the contribution was made may be carried over to
69 the next three succeeding tax years until the full credit is
70 claimed.

71 4. The total amount of tax credits that may be
72 authorized under this section shall not exceed twenty-five
73 million dollars in any calendar year.

74 5. Tax credits issued under the provisions of this
75 section may be transferred, sold, or assigned.

76 6. The issuance of tax credits authorized under this
77 section shall cease and the taxpayer shall immediately
78 submit payment to the state general revenue fund in an
79 amount equal to all credits previously issued to the
80 taxpayer under this section, less any amounts previously

81 repaid, increased by an amount equal to a reasonable rate of
82 return on the value of the credits issued in the event that
83 the taxpayer:

84 (1) Fails to complete construction of a full-service
85 grocery store within five years of the commencement of the
86 project; or

87 (2) Fails to operate a full-service grocery store at
88 the same new location for at least ten consecutive years.

89 7. The department of economic development may
90 promulgate rules to implement the provisions of this
91 section. Any rule or portion of a rule, as that term is
92 defined in section 536.010, that is created under the
93 authority delegated in this section shall become effective
94 only if it complies with and is subject to all of the
95 provisions of chapter 536 and, if applicable, section
96 536.028. This section and chapter 536 are nonseverable, and
97 if any of the powers vested with the general assembly
98 pursuant to chapter 536 to review, to delay the effective
99 date, or to disapprove and annul a rule are subsequently
100 held unconstitutional, then the grant of rulemaking
101 authority and any rule proposed or adopted after August 28,
102 2022, shall be invalid and void.

103 8. Under section 23.253 of the Missouri sunset act:

104 (1) The program authorized under this section shall
105 automatically sunset on December thirty-first, six years
106 after the effective date of this section, unless
107 reauthorized by an act of the general assembly;

108 (2) If such program is reauthorized, the program
109 authorized under this section shall automatically sunset on
110 December thirty-first, twelve years after the effective date
111 of the reauthorization of this section;

112 (3) This section shall terminate on September first of
113 the calendar year immediately following the calendar year in
114 which the program authorized under this section is sunset;
115 and

116 (4) Nothing in this subsection shall prevent a
117 taxpayer from claiming a tax credit properly issued before
118 the program was sunset in a tax year after the program is
119 sunset.

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